

EXHIBIT B

FULL CLASS NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

TO:

- (1) All consumers who brought vehicles to Autobahn Motors, a Mercedes dealer in Belmont, California, for service during the period January 1, 2005 through February 28, 2018.
- (2) All consumers who purchased a certified pre-owned (“CPO”) vehicle from Autobahn Motors during the period January 1, 2007 through December 31, 2012.

IF YOU ARE A CLASS MEMBER, YOU SHOULD READ THIS NOTICE CAREFULLY BECAUSE IT WILL AFFECT YOUR LEGAL RIGHTS AND OBLIGATIONS.

A Settlement has been preliminarily approved in a class action lawsuit pending in the United States District Court for the Northern District of California, *Steve Ferrari et al. v. Autobahn, Inc., et al.*, Case No. 4:17-cv-00018-YGR (the “Litigation” or the “Action”).

This Notice explains the nature of the Litigation, the general terms of the proposed Settlement, and your legal rights and obligations.

1. WHAT IS THE LITIGATION ABOUT?

- a) A class action lawsuit was filed against Autobahn, Inc. and its parent company, Sonic Automotive, Inc. (referred to collectively as “Autobahn”), on behalf of themselves and the Class of persons described above.
- b) The Litigation alleges that Autobahn violated certain California statutes and common law with regard to its use of non-Genuine parts in its service, sales, and advertising practices. More specifically, Plaintiffs alleged that Autobahn used non-Genuine parts in the service and/or repair of customer and used vehicles without fully disclosing this practice to the consumer. Importantly, none of the non-Genuine parts used were substandard or had any detrimental effect on the vehicle. The claims asserted that Autobahn saved money by using the non-Genuine parts. For most services, Autobahn would have saved less than \$5 per visit. The Litigation also asserts claims against Mercedes-Benz USA (“MBUSA”). Autobahn denies any wrongdoing and any liability whatsoever, and no court or other entity has made any judgment or other determination of any liability against Autobahn.
- c) Autobahn and the Class Representative Plaintiffs (the “Parties”) have determined that it is in their best interests to settle the Litigation to avoid the expenses, inconveniences, and interferences with ongoing business operations that are associated with litigation. This settlement also resolves some, but not all, of the claims against MBUSA.
- d) In addition, the United States District Court for the Northern District of California (the “Court”) has determined for settlement purposes only that the Litigation should proceed as a class action and has granted preliminary approval of the proposed Settlement, subject to a Fairness Hearing, during which the fairness of this Settlement will be ultimately determined.

2. WHO IS INCLUDED IN THIS CLASS ACTION?

For settlement purposes only, the Court has certified one Class with numerous Sub-Classes. The Class consists of:

All consumers who during the Class Period received service from Autobahn, together with all consumers who purchased a CPO automobile from Autobahn during the period January 1, 2007 through December 31, 2012.

The “Class Period” is January 1, 2005 through February 28, 2018.

The Sub-Classes are:

a. Class 1A (Service Class):

All Settlement Class members who last serviced automobiles at Autobahn on or after January 1, 2011.

b. Class 1B (Service Class):

All Settlement Class members who last serviced their automobiles at Autobahn during the period January 1, 2005 through December 31, 2010.

c. Class 2 (zMAX Class):

All Settlement Class members who purchased a fluid known as zMAX from Autobahn in conjunction with service at Autobahn during the Class Period according to Autobahn’s records, together with all Settlement Class members who purchased from Autobahn a CPO automobile on or after January 1, 2007, into which zMAX may have been added during the reconditioning process.

d. Class 3A(Certified Pre-Owned Class):

All Settlement Class members who last purchased a CPO automobile from Autobahn during the period January 1, 2011 through December 31, 2012.

e. Class 3B (Certified Pre-Owned Class):

All Settlement Class members who last purchased a CPO automobile from Autobahn during the period January 1, 2007 through December 31, 2010.

A Class member may fall under more than one Sub-Class. For the purposes of Sub-Classes 1A and 1B and Sub-Classes 3A and 3B, the date of the last pertinent transaction distinguishes membership in the “A” Sub-Classes from membership in the “B” Sub-Classes. The reason for this distinction and the lower amount of recovery is that claims based upon transactions taking place in 2010 or earlier are subject to additional defenses.

3. WHAT DOES THE PROPOSED SETTLEMENT OFFER?

- a) If the Court grants Final Judicial Approval of the proposed Settlement, each Class member is eligible to receive a Voucher towards goods or service at Autobahn. Class members may elect to redeem vouchers for a check for a lesser amount instead of using them for service at Autobahn.

Members of each Sub-Class will receive:

a. Class 1A (Service Class):

- i. a voucher for \$20.00 towards any service at Autobahn (with a cash value of \$8.22) if such class member visited Autobahn for service 1–3 times; or
- ii. a voucher for \$30.00 towards any service at Autobahn (with a cash value of \$12.33) if such class member visited Autobahn for service 4–6 times; or
- iii. a voucher for \$40.00 towards any service at Autobahn (with a cash value of \$16.44) if such class member visited Autobahn for service 7–9 times; or
- iv. a voucher for \$50.00 towards any service at Autobahn (with a cash value of \$20.55) if such class member visited Autobahn for service 10 or more times.

b. Class 1B (Service Class):

- i. a voucher for \$5.00 towards any service at Autobahn (with a cash value of \$2.34) if such class member visited Autobahn for service 1–3 times; or
- ii. a voucher for \$7.50 towards any service at Autobahn (with a cash value of \$3.51) if such class member visited Autobahn for service 4–6 times; or
- iii. a voucher for \$10.00 towards any service at Autobahn (with a cash value of \$4.67) if such class member visited Autobahn for service 7–9 times; or
- iv. a voucher for \$12.50 towards any service at Autobahn (with a cash value of \$5.84) if such class member visited Autobahn for service 10 or more times.

- c. Class 2 (zMAX Class): a Claim Form to make a claim for a voucher for \$40.00 towards any service at Autobahn (with a cash value of

\$15.98). The claim form allows eligible class members to attest that they would not have purchased zMax or chosen to have it added to their automobiles had they understood that it has not been endorsed or approved by MBUSA.

- d. Class 3A (CPO Class): a voucher for \$50.00 towards any service at Autobahn (with a cash value of \$20.55).
- e. Class 3B: (CPO Class): a voucher for \$12.50 towards any service at Autobahn (with a cash value of \$5.84).
- b) In order to receive a voucher, members of Class 2 (zMAX) must complete and return a Claim Form and submit it to the Settlement Administrator, [NAME], within ninety (90) days of the issuance of the Claim Form.
- c) The vouchers will be valid for one year after issuance.
- d) If a Class member elects to redeem the vouchers for cash, he or she must mail the original voucher with the redemption portion completed to the Settlement Administrator, [NAME], by U.S. mail within ninety (90) days of the issuance of the voucher.
- e) If a Class member elects to receive a check, the check will be valid for ninety (90) days after issuance.
- f) Class Representative Plaintiffs may request Incentive Awards for their services as class representatives and their efforts in bringing the litigation, in amounts not to exceed the following: Ferrari - \$2,500; Keynejad - \$8,000; Rubin - \$2,500; Fethe - \$4,000; and Diaz - \$5,000; and Gapasin - \$2,500.
- g) The attorneys for the Class, the law firms of Varnell & Warwick, P.A. and Franck & Associates ("Class Counsel"), will be paid up to a maximum of \$577,000 in attorneys' fees and \$22,000 in costs. The Court will make the final determination as to the amounts to be paid to the Class Representative Plaintiffs and to Class Counsel. These amounts will not affect the benefits provided to the Class.

4. HOW TO RECEIVE YOUR VOUCHER OR CASH ALTERNATIVE.

- a) The Settlement Administrator, [NAME], will send the Summary Class Notice of the proposed Settlement to the email address in Autobahn's records. If Autobahn does not have your email address, the Settlement Administrator will send the Summary Class Notice to the physical mailing address for you in Autobahn's records.
- b) If you do not request to be excluded from the Class and you are a member of Class 1 and/or Class 3, you will automatically receive a voucher or vouchers as described in Paragraph 3 above.
- c) If you do not request to be excluded from the Class and you are a member of Class 2, you will receive a Claim Form. The Claim Form allows eligible class members to attest that

they would not have purchased zMax or chosen to have it added to their automobiles had they understood that it had not been endorsed or approved by Mercedes Benz USA. Upon receipt of a properly completed Claim Form, a voucher as described in Paragraph 3 above will be provided via email or mail.

- h) If you elect to redeem vouchers for cash, you must mail the original voucher with the redemption portion completed to the Settlement Administrator, [NAME], by United States mail within ninety (90) days of the issuance of the voucher.

5. IF THE PROPOSED SETTLEMENT IS APPROVED, YOU WILL LOSE THE RIGHT TO BRING CERTAIN CLAIMS UNLESS YOU OPT OUT.

- a) If the Court gives final approval to the proposed Settlement, it will enter a Final Order and Judgment in the Litigation with prejudice as to the Released Claims that binds all Class Members who did not validly and timely opt out of the proposed Settlement. The Releasing Parties¹ will be deemed to have released and forever discharged the Released Parties² from any and all Released Claims.³

¹ “Releasing Parties” is defined to include each Class Member that has not timely and properly opted out of the Settlement Class and, to the extent they have rights in the Litigation on behalf of a Class Member, current and former spouses, assigns, heirs, successors, attorneys, executors, trustees, agents, personal and legal representatives, subsidiaries, affiliates, officers, directors, and employees.

² “Released Parties” is defined to mean Autobahn and its affiliates, parents, and subsidiaries, its and their respective owners, shareholders, parents, affiliates, subsidiaries, dealerships, divisions, predecessors, successors, assigns, insurers, employees, contractors, administrators, brokers, vendors, agents, officers, directors, principals, law firms, and legal representatives, as well as the heirs, personal representatives, executors, administrators, predecessors, successors, and assigns of each of the foregoing, in each case past and present.

³ Released Claims are claims arising from or related to facts alleged in the Action, and any claims that were or could have been brought in, the Action or the Original Action arising out of those alleged facts, as well as all forms of relief, including all remedies, costs, losses, liabilities, damages, debts, expenses, penalties, interest, and attorneys’ and other professionals’ fees and related disbursements, whether known or unknown, foreseen or unforeseen, suspected or unsuspected, asserted or unasserted, whether (a) claiming compensation, money damages, equitable or other type of relief; (b) based on any federal, state, or municipal statute, law, ordinance, or regulation; (c) based on common law or public policy; or (d) sounding in tort or contract, whether oral or written, express or implied, law or equity, statutory or common law, or any other causes of action that any Releasing Party, whether directly, representatively, derivatively, or in any other capacity, ever had, now has, or hereafter can, shall, or may have against the Released Parties from the beginning of the world through the Effective Date.

- b) The Released Claims also include claims in the Action asserted against MBUSA, and the other Partially Released Entities,⁴ except those relating to MBUSA's advertising claims relating to longevity and superiority of Mercedes-Benz genuine parts. The claims that are not released as to MBUSA are reflected in the Third Amended Complaint in Count II (CLRA), Count III (UCL), Count IV (FAL), and Count IX (Common Law Fraud).
- c) As to the foregoing Released Claims, the release also includes a waiver of unknown claims in accordance with the provisions of California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

- d) If you want to maintain the right to sue or continue to sue Autobahn or MBUSA in connection with any Released Claims, you must exclude yourself from the Class, or "opt out," as described below. If you exclude yourself from the Class or opt out, you will not receive any class benefit.

6. HOW TO OPT OUT OF THE PROPOSED SETTLEMENT.

- a) If you are a Class Member, you may exclude yourself or "Opt Out" of this Settlement ONLY IF, no later than [DATE], you personally sign and send to the Settlement Administrator [NAME] via U.S. Mail, proper postage prepaid, at [ADDRESS], a document with the following information:
 - i. The case name (*Steve Ferrari et al. v. Autobahn, Inc., et al.*, Case No. 4:15-cv-04379-YGR);
 - ii. Your full name, address, and telephone number; and
 - iii. A clear statement that you wish to opt out of the Class.
- b) Requests to Opt Out (i.e., for exclusion from the Class) that are not postmarked on or before [date], will not be honored. You cannot exclude yourself by telephone or by e-

⁴ MBUSA and its affiliates, parents, and subsidiaries, its and their respective owners, shareholders, parents, affiliates, subsidiaries, dealerships, divisions, predecessors, successors, assigns, insurers, employees, contractors, administrators, brokers, vendors, agents, officers, directors, principals, law firms, and legal representatives, as well as the heirs, personal representatives, executors, administrators, predecessors, successors, and assigns of each of the foregoing, in each case past and present are "Partially Released Entities" for the purpose of the Released Claims identified in Paragraph 33 of the Settlement Agreement.

mail. You cannot exclude yourself by mailing a request to any other addresses or after the deadline. The document requesting exclusion must be signed by you.

7. HOW TO OBJECT TO THE PROPOSED SETTLEMENT.

- a) If you are a Class Member and you believe the proposed Settlement is not adequate, fair, or reasonable, you may object only if, no later than [date], you file a written objection with the Court (via the Clerk of the United States District Court for the Northern District of California, 280 South 1st Street, Room 2112, San Jose, CA 95113) and serve copies on Class Counsel (Brian Warwick, Varnell & Warwick, P.A., PO Box 1870, Lady Lake, Florida, 32158), Autobahn's Counsel (F. Greg Bowman, Esq., Williams & Connolly LLP, 725 12th Street, N.W., Washington, D.C. 20005). Class Members shall not be entitled to speak at the Fairness Hearing unless they have submitted a valid and timely written objection or unless requested to speak by the Court. The written objections must set forth the following:
 - i. The name of the Action (*Ferrari v. Autobahn, Inc.*, No. 17-CV-0018-YGR);
 - ii. The objector's full name, address, and telephone number;
 - iii. If applicable, the name and address of any person claiming to be legally entitled to object on behalf of a Class Member and the basis of such legal entitlement;
 - iv. Whether the objector is represented by counsel and, if so, the identity of such counsel, and all previous objections filed by the objector and their counsel within the last two years;
 - v. A notice of intent to appear at the Final Fairness Hearing if the objector intends to so appear;
 - vi. A statement of all objection(s) being asserted;
 - vii. A description of the facts and legal authorities underlying each objection;
 - viii. A list of any witnesses who may be called to testify at the Final Fairness Hearing, whether in person, by deposition, or affidavit;
 - ix. A list of any exhibits, and copies of same, which the objector may offer at the Final Fairness Hearing; and
 - x. The objector's signature.
- b) Objections that are not postmarked on or before [date], will not be honored. You cannot object by telephone or by e-mail. You cannot object by mailing an objection to any other addresses or after the deadline.
- c) You may, but need not, file and serve your objection through an attorney of your choice.

If you do make your objection through an attorney, you will be responsible for your personal attorneys' fees and costs.

8. WHAT IS THE DIFFERENCE BETWEEN OPTING OUT AND OBJECTING?

- a) Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you remain in the Class. Opting out is telling the Court that you do not want to be part of the Settlement Class. If you opt out, thereby excluding yourself from the Class, you have no basis to object to this Settlement because the case no longer affects you.

9. THE FAIRNESS HEARING.

- a) On [date], at [time] PST, the Court will hold a hearing on the adequacy, fairness, and reasonableness of the proposed Settlement. The Court retains the right to reschedule this hearing. In the event the Fairness Hearing is moved, the new date and time shall be promptly posted on the Settlement Website by the Settlement Administrator.
- b) At the hearing, the Court will hear any objections and arguments concerning the proposed Settlement's adequacy, fairness, and reasonableness. The hearing will take place at the United States District Court for the Northern District of California, Oakland Courthouse, Courtroom 1, Fourth Floor, 1301 Clay Street, Oakland, CA 94612. You do not have to appear at the hearing. Class Counsel will answer questions the Court may have. You are, however, welcome to come to the hearing at your own expense.
- c) If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. However, you may be permitted to speak at the hearing ONLY if you have filed a timely notice of intent to appear. You cannot speak at the hearing if you have opted out.

10. HOW TO OBTAIN ADDITIONAL INFORMATION.

- a) This Notice is a summary and does not cover all of the issues and proceedings that have occurred. More details regarding the Settlement are contained in the Class Action Settlement Agreement, as modified by the Court's preliminary approval order. You may view the Class Action Settlement Agreement, along with the Court's preliminary approval order and the operative Complaint, at the Settlement Website: [URL]. You may review the complete court file of the Litigation, at the Office of the Clerk of the United States District Court for the Northern District of California, 1301 Clay Street, Suite 400 S, Oakland, CA 94612. The Clerk will tell you how to obtain the file for inspection and copying at your own expense.
- b) For additional information you may contact either the Settlement Administrator or Class Counsel as follows:

Settlement Administrator: [insert address and phone number for Settlement Administrator]

Class Counsel: Brian Warwick
Varnell & Warwick, P.A.
PO Box 1870
Lady Lake
Florida, 32158

In connection with the preliminary approval of the settlement, the Court appointed Class Counsel to represent you and other Class Members. You will not be separately charged by these lawyers for their work on the case. If you want to be represented by your own lawyer, you may hire one at your own expense.

**PLEASE DO NOT CALL THE COURT OR THE CLERK OF THE COURT
REGARDING THIS ACTION OR PROPOSED SETTLEMENT.**